Opportunities for Strengthening Wisconsin’s Workforce

Executive Summary

According to Department of Workforce Development estimates, as many as 46,000 Wisconsin jobs could go unfilled in 2022. Demographic trends, including the retirement of baby boomers, may be driving a good portion of the labor shortage, but that is only part of the story. Other factors, such as mismatches between where jobs are located and where people live, or the type of jobs available versus the skills of available workers, also play a role.

Many adults want to work, but face significant barriers to successful employment. The current labor market presents a unique opportunity: How can Wisconsin policymakers help increase the employability of these individuals and strengthen their families, while also meeting employers’ needs and strengthening the state’s economy?

This seminar first addressed the size and characteristics of Wisconsin’s workforce, as well as other underlying factors affecting the labor market. Then, speakers presented several evidence-based policy options to engage and support two populations with much to gain from participating in the labor market: low-income, low-skilled adults and people with criminal histories.

What are the labor market trends in Wisconsin?
Tessa Conroy, UW–Madison Assistant Professor of Agricultural and Applied Economics and UW–Extension Economic Development Specialist, reported that Wisconsin is expected to experience positive job growth through 2022. But will the state have workers to fill these jobs? The state faces challenges such as the retirement of baby boomers, migration patterns that do not favor Wisconsin, as well as skill and geographic mismatches between available workers and available jobs.

The state has an opportunity to meet these challenges through evidence-based policy options such as using data to better align education and workforce training programs with employers’ needs, providing more practical experiences to students who will be future workers, accelerating the preparation of low-skilled workers to meet current demand, and finding ways to engage and support the chronically unemployed. Policymakers might also consider proactively shaping the future labor market by encouraging entrepreneurship and the growth of high-skilled jobs, facilitating community efforts to attract residents, and strengthening policies that support working families.

What approaches work to engage low-income, low-skilled adults in the workforce?
Given the labor market challenges in Wisconsin, there is growing interest in what works to engage and support as many workers as possible. Julie Strawn, Principal Associate at Abt Associates, noted that low-income adults often face a range of barriers to employment, including low levels of education and basic skills, child care and transportation difficulties, and substance abuse and health challenges.

Rigorous evaluations and cost-benefit analyses have identified four successful approaches that can help low-income, low-skilled adults succeed in the workplace:

1. specialized services and treatment,
2. financial incentives and work supports,
3. employer-based training such as subsidized employment and apprenticeship, and
Skill-building programs such as career pathways.

Successful programs tend to combine more than one approach and involve public-private partnerships. These programs have the potential not only to alleviate the economic and personal distress of low-income adults and their families, but also strengthen Wisconsin’s economy.

What barriers do people with criminal histories face and what are policy options?

Marc Pelka, Deputy Director of State Initiatives, of the Council of State Governments Justice Center, shared that the successful employment of people with criminal records—including 22 percent of adults in Wisconsin—can strengthen their families, reduce recidivism, and help meet the state’s workforce needs.

To better address the barriers these individuals face, new programs have integrated proven recidivism-reduction approaches from the corrections field with best practices for improving job readiness from the workforce development field. A growing body of research provides guidance on ways to ensure programs are cost-effective and connect the right resources to the people who need them most. To lessen the negative effects of “collateral consequences” on an individual’s employability, 31 states also have passed legislation that provides some level of criminal record “clearance.” In addition, an increasing number of states have established certificates of recovery to help job seekers demonstrate progress in rehabilitation and training to employers.

An opportunity to strengthen Wisconsin’s workforce

Although Wisconsin’s tight labor market could evolve into a more serious labor shortage, the state has a unique opportunity to change its course. The research presented in this seminar points to policy options that can move more people with barriers into the labor market, help them remain employed, and assist them in career advancement and wage growth. Workers who achieve economic success can better support their families, improve their children’s academic and life outcomes, and contribute to their communities. Using these and other evidence-based strategies, state policymakers can create the conditions under which employers and workers are successfully matched, and the state economy can prosper.

Seminar Presenters and Moderator

Tessa Conroy
Assistant Professor, UW-Madison Department of Agricultural and Applied Economics
Economic Development Specialist, UW-Extension
tessa.conroy@wisc.edu | www.aae.wisc.edu/faculty/tconroy2

Marc Pelka
Deputy Director of State Initiatives
Council of State Governments Justice Center
mpelka@csg.org | www.csgjusticecenter.org

Julie Strawn (taking the place of Karin Martinson)
Principal Associate, Social and Economic Policy
Abt Associates
julie_strawn@abassoc.com | www.abtassociates.com

Moderator: Hilary Shager
Associate Director, La Follette School of Public Affairs
Director, Wisconsin Family Impact Seminars

The briefing report and video/audio of the presentations are available on our website at www.wisfamilyimpact.org

Since 1993, the Wisconsin Family Impact Seminars have connected state policymakers with objective, high-quality research on timely issues such as early brain development, corrections, foster care, and economic development. The seminars aim to (a) build greater respect for and use of research in policy decisions; (b) encourage policymakers to examine policies and programs through a family impact lens; and (c) provide neutral, nonpartisan opportunities for legislators to engage in open dialogue, foster relationships, and find common ground.

Check out our website (www.wisfamilyimpact.org) for audio and video of more than 100 speakers, 36 briefing reports, and other resources from the seminars. The information in this summary was taken from the briefing report for the 36th seminar. The full report, as well as the speakers’ presentations, can be downloaded from our website. Hard copies of the report and handouts are available to state legislators at no charge by contacting Heidi Normandin, Associate Director of the Family Impact Seminars, at (608) 263-2353 or hjnorman@wisc.edu.